

**MINUTES**  
**Town of Crested Butte**  
**Regular Town Council Meeting**  
**Monday, August 21, 2017**  
**Council Chambers, Crested Butte Town Hall**

Mayor Michel called the meeting to order at 7:00PM.

Council Members Present: Jim Schmidt, Chris Ladoulis, Roland Mason, Laura Mitchell, and Paul Merck

Staff Present: Town Manager Dara MacDonald, Town Attorney John Sullivan, and Community Development Director Michael Yerman

Public Works Director Rodney Due, Finance Director Lois Rozman, Parks and Recreation Director Janna Hansen, Chief Marshal Mike Reily, and Town Clerk Lynelle Stanford (for part of the meeting)

**APPROVAL OF AGENDA**

Schmidt moved and Merck seconded a motion to approve the agenda as presented. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

**CONSENT AGENDA**

- 1) August 8, 2017 Special Town Council Meeting Minutes.**
- 2) August 8, 2017 Regular Town Council Meeting Minutes.**
- 3) Award of the 2017 Town Hall Foundation Water Mitigation Project.**
- 4) Appointment of Chief Marshal Mike Reily to the 911 Committee and Communications Board.**
- 5) Emma Coburn Elk Avenue 5K Special Event Application and Special Event Liquor Permit Located at Elk Avenue and 3<sup>rd</sup> Street, with the Event Closing 3<sup>rd</sup> Street from Alley to Alley, Excluding Elk Avenue on September 29, 2017 and Elk Avenue from 1<sup>st</sup> Street to 5<sup>th</sup> Street and the Associated Route on September 30, 2017.**
- 6) Resolution No. 54, Series 2017 - Resolutions of the Crested Butte Town Council Approving the First Amendment to the Intergovernmental Agreement Establishing the Gunnison Valley Regional Housing Authority.**

Schmidt moved #2, Regular Town Council Meeting Minutes from August 8<sup>th</sup>, from the Consent Agenda to under New Business.

Schmidt moved and Mason seconded a motion to approve the Consent Agenda with the removal of item #2 from the Consent Agenda. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

### **PUBLIC COMMENT**

Sue Navy - 324 Gothic Ave

- Thanked the Council for the decision to go green with electricity.
- She would like to see the whole town go green and be weaned off coal.

### **STAFF UPDATES**

Rodney Due

- Mentioned repair work that would be done by CDOT, with assistance from his crew. They would be doing work on Wednesday, which was delayed.

Lois Rozman

- Grant applications were out, open, and due the end of September.
- Referred to the 2<sup>nd</sup> Quarter financial report she provided to the Council.
- Finished getting numerous Town accounts signed up for green power.
- Happy to report that Kyle, from Parks and Rec, would be joining the Finance Department.

Janna Hansen

- Kyle would be a huge loss to the department.
- Fall sports would be kicking off next week.
- Adult softball championship game would be tomorrow.
- Gothic outfield fence would be repaired and games could continue as scheduled.
- Brought on State Forester, Sam Pankratz, and they developed a tree board to assist with decision-making concerning trees on public property. She described the board's role. She explained there were two high-risk trees in Town Park that had to be removed.

Mike Reily

- Mentioned MacDonald had gone for a ride-a long with a Marshal, and he offered ride-a longs to the Council.
- There was a Peace March on Saturday afternoon that went relatively well.

Michael Yerman

- The Center received their foundation permit.
- There had been a public hearing on the Crested Butte Hotel on Thursday. There was a chance it could be wrapped up by the board by the end of the month.
- Notified the Council of the CBMBA annual overnight on Baxter Gulch.

Lynelle Stanford

- Reminded the Council of the upcoming work session to discuss budget priorities on Monday from 9AM to Noon.
- The deadline to submit petitions for the election would be Monday, August 28<sup>th</sup> by 5PM.
- Staff would be meeting with the organizers of Vinotok tomorrow.
- Mentioned upcoming special events.

Dara MacDonald

- Reily attended the Vinotok test fire. Neighbors have engaged an attorney to talk with organizers.
- There had been discussions with a neighbor on a land swap at the Four Way parking lot. They were still hoping for completion in 2017.
- Referred to an update on 2017 projects that was in the packet.
- CDOT meeting was changed to tomorrow morning.

### **PUBLIC HEARING**

#### **1) Ordinance No. 22, Series 2017 - An Ordinance of the Crested Butte Town Council Approving the Lease of a Portion of the Property at 308 Third Street to West Elk Bahk Do Moo Duk Kwan, DBA West Elk Martial Arts.**

Michel confirmed proper public notice had been given. MacDonald said there were no changes. It was opened to public comment. No one was present to speak. The public hearing was closed, and it was moved to Council discussion. There was no further discussion by the Council.

Merck moved and Ladoulis seconded a motion to pass Ordinance No. 22, Series 2017. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

### **NEW BUSINESS**

#### **1) August 8, 2017 Regular Town Council Meeting Minutes.**

Schmidt called the Council's attention to page 27 of the packet, #2 under New Business in the minutes, the discussion on the boater easement agreement with Cypress Foothills. He recalled that they showed a hatched area that would be a boater launch that went halfway into the river. He asked if it would be an easement or deeded to the Town. Yerman confirmed it would be an easement going halfway into the river. Schmidt also recalled that Lock stated that they would give Town an easement to float down the river through the property. Yerman summarized that the Slate River was not considered navigable, and the boater easement would allow boater access. MacDonald confirmed they would like to grant an easement to allow people to float through. Stanford was directed to update the minutes to reflect.

Schmidt moved and Merck seconded a motion to approve the minutes of the August 8<sup>th</sup>, 2017 regular Town Council meeting with the additions. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

## **2) Appointment of Sullivan Green Seavy as the Firm Representing the Town as Town Attorney.**

Schmidt affirmed the agreement was for one year with review in six months. He reviewed past work from Barbara Green that would help with a smooth transition. Michel welcomed Sullivan.

Merck moved and Mitchell seconded a motion to appoint Sullivan Green Seavy as the firm representing the Town as Town Attorney. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

## **3) Discussion and Possible Award of the 2017 Crested Butte Pavement Project.**

Due reviewed history of the agenda item starting at the last meeting when Council directed Staff to look at alternatives to paving the alley behind Soupcon. MacDonald pointed out that United was the only bidder, and they provided the costs to alternatives. She stated that Jason Vernon agreed to contribute financially to the project, too. Due summarized they were proposing the same project without paving, and base rock would take the place of asphalt. Option #2 was described as improving the alley with grading, road base in the alley and parking lot, a concrete pan on the south side of the alley and curb and gutter around the parking lot. Ladoulis confirmed the parking spots would also not be paved and there would not be striped parking spaces with that option. Schmidt recalled the Town had never contemplated paving the alleys around Town.

Molly Murfee - 124 ½ Maroon Ave

- She supported the gravel option. The valley pan would go right in front of her house. She would prefer to leave the alley as-is.
- She wanted Town to work with herself and Jason Vernon concerning the timing of the work.
- There was confusion in her mind regarding the plan for the parking lot. She wanted the parking lot to remain its existing size.
- She referred to petitions she submitted.

Jason Vernon - Soupcon Bistro located at 127A Elk Ave

- Thanked the Council for listening.
- He offered a \$10K contribution to offset the cost of mitigation to the alley, and he presented the check to the Clerk.
- Food was romance and passion.

Sam Robards - 113 Elk Ave

- Thanked the Council and Staff for opening up the process.
- He preferred Option #2.

- Questioned what would force the Town to lose the designation of a Historic District. Michel explained it was based on the built environment, and he confirmed it was not a slippery slope.

Angie Hornbrook - 210 2<sup>nd</sup> St

- She also lived in an alley.
- She read a poem that was written by Jackson Melnick, who grew up in Crested Butte, that she felt illuminated the spirit.
- Traffic would increase in the alleys. There was a precedent to consider.

David J. Rothman - 17 Maroon Ave

- It was important to save every alley in the Valley.
- Set a precedent.

Public comment was closed, and the meeting was moved to Council discussion.

Schmidt thought Option #2 was the way to go. Michel suggested a work session to discuss alleys in the future. Schmidt recalled that BOZAR discouraged use of access off the street with garages; the idea was for the cars to be back in the alleys. Ladoulis thanked those involved in the alley and those who contributed. He supported Option #2. He referenced the paving and snow management plans and the history of the decision-making processes.

Michel read the details associated with Option #2 that were written in the staff report. Mason asked about the size of the parking lot. Due explained United would use the drawing by Norman Whitehead. Murfee confirmed the drawing made sense, but the measured dimensions of green space were smaller than what existed. Mason wanted to be sure she was clear on what Whitehead provided. Murfee summarized what she understood from Whitehead's response. MacDonald clarified that the area that was gravel would be gravel, and the curb and gutter would go beyond. Due confirmed it would preserve parking that was there and that he presented to Council what they brought to him from Whitehead.

Merck moved and Mason seconded a motion that the Town of Crested Butte accept and award the bid for Option #2 for the 2017 CB Summer Pavement Project to Old Castle Southwest Group, Inc DBA United Companies and authorizing the Public Works Director to utilize an additional amount up to \$6,000 for contingency. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

#### **4) Discussion on Setting Ballot Language for Vacation Rental Tax.**

MacDonald explained that Staff had been working on a Plan B tax measure should the Gunnison Valley Regional Housing Authority (GVRHA) county-wide property tax measure not make it on the ballot. Town had engaged Butler Snow to assist with crafting ballot language and ensuring TABOR compliance. The draft resolution set ballot language to include a 5% excise tax on vacation rentals. She explained how they

estimated revenue that would be generated. She reviewed the use of funds and that an ordinance would enact the tax in the Code. This draft ballot language did not include authorization to issue debt. She asked if there were any changes. She told the Council that it would be brought back to the meeting on September 5<sup>th</sup>. Sullivan confirmed Dee Wiser was taking the lead. Michel clarified the tax would only apply to the Town of Crested Butte, and only folks in the Town of Crested Butte could vote on the question. Mason wondered if they would limit the County's ability. MacDonald said the property tax question promoted by the Housing Authority was a county-wide tax. They didn't have the latitude of a Home-Rule municipality. The sales tax would be different than the lodging tax. MacDonald explained how funds could be used. Ladoulis questioned both rolling the tax back and keeping the ability to do both. MacDonald said it was originally considered a Plan B if the property tax measure didn't make it on the ballot. They could simply choose to not enact the tax if it was approved. The language contemplated that the Council would want to consider removing the tax if a county-wide measure later passed. Ladoulis would have a problem with double dipping. He wanted to discuss how the money was being spent and the use of funds to be explicit and accommodating to future needs of affordable housing. Michel trusted future Councils to make the decisions based on what would be happening at that time. MacDonald stated the tax would be enacted by ordinance. Future Councils could modify by ordinance over time. Schmidt recognized the Brush Creek parcel would address rental needs. He thought they possibly needed to refocus more on for sale units. Michel acknowledged it was leaving an open slate for later Councils. MacDonald said they could be more restrictive. Schmidt's concern for the county-wide measure was that the poll was showing it to be very close. It was the biggest funding source he knew of for affordable housing. Michel recognized they would know more soon. The Council did not specify any changes to be made before the meeting on September 5<sup>th</sup>.

**5) Resolution No. 55, Series 2017 - Resolutions of the Crested Butte Town Council of the Town of Crested Butte, Colorado, Consenting to the Calling of an Election by the Gunnison Valley Regional Housing Authority on November 7, 2017.**

MacDonald confirmed that her memo provided background. Schmidt explained it was a resolution to put the tax question on the ballot and not a resolution stating that Town supported. He elaborated that Messner from the County voted not to go forward this year, same with Carlos from Mt. Crested Butte. There had been questions on bonding potential. MacDonald pointed out there was a 10-year sunset on the property tax. Executive Director of GVRHA, Jennifer Kermode, explained the bonding process and that there would be no way to leverage the bond. She didn't want this tied to the thought there would be a project that would be shovel ready for a bond. Kermode acknowledged that the need and demand were great, and they would be two years out from a revenue stream without this ballot question. She reviewed needs that could be fulfilled and reasons that Carlos and Messner didn't support.

Mitchell recognized the margin would be close. She said they had to be clear they weren't double dipping. Schmidt confirmed for Michel that he supported it. All four entities in the Housing Authority had to agree to put the question on the ballot. Michel

thought it felt rushed, and he had reservations with supporting it tonight. He wanted to know what the County Commissioners would decide. Mason recalled that the RTA spent a lot of time when they asked for the sales tax increase. It would be difficult to go back after it failed. He thought that they should hold off. Schmidt suggested discussion at a special meeting next Monday. Merck agreed they dedicate time to further discuss next Monday.

Susan Eskew - 201 Gothic Ave

- They had an opportunity to raise money without a lot of cost.
- They had to demonstrate they were in this together.
- She asked how they would catch up and keep up on housing needs.

Mason acknowledged there were other issues seeking mil levy increases, and it would be iffy if it was stand alone. Michel reviewed the options and agreed he was leaning towards a special meeting.

Schmidt moved and Mitchell seconded a motion to continue this discussion until Monday at 9AM at a special meeting. A roll call vote was taken with Merck, Mitchell, Mason, Michel, and Schmidt voting, "Yes," and Ladoulis voted, "No." **Motion passed.**

**6) Ordinance No. 23, Series 2017 - An Ordinance of the Crested Butte Town Council Approving the Lease of a Portion of the Property at 308 Third Street to The Corporation of the Rocky Mountain Biological Laboratory at Gothic.**

Michel and Schmidt recused themselves and left the room. Mason assumed the Mayor's seat as Mayor Pro Tem.

Merck moved and Mitchell seconded a motion to set Ordinance No. 23, Series 2017 for public hearing at the meeting on September 5<sup>th</sup>. **Motion passed.**

Michel and Schmidt returned to the meeting.

**LEGAL MATTERS**

Schmidt asked for an update on the ADU situation. MacDonald informed the Council they were filing a summary judgment motion on the remaining two claims. The others had been dismissed or settled by the judge. Sullivan stated that resolution should occur from the summary judgment motion. However, the plaintiff's attorney was looking for an appeal. If the judgments were appealed, it could take 9 - 15 months for a decision.

**COUNCIL REPORTS AND COMMITTEE UPDATES**

Laura Mitchell

- Attended a Mountain Express meeting. They would not be running late busses, but they would support Alpine Express.

- They talked about selling one of the busses to the Conservation Corp for a \$1. They were working on a place to park the bus.
- They were uncomfortable with the possibility of not getting the DOLA grant for \$200K. Their budget could not cover it.
- Michel questioned the Judd Falls/401 route. It would be a great amenity to get people to use. He wondered if there was a chance for a cut out type of bus. It was stated that the conversation was still ongoing.
- Arts Festival week had more people than ever parked at Judd Falls.

Chris Ladoulis

- Parking Committee met last week. It seemed they would make an effort to communicate regularly with the Council. He didn't want people to be surprised at the end.

Jim Schmidt

- Went to a Gunsight Pass site visit. They were discussing a suspension bridge. The existing bridge was sitting on the historical railroad piles.
- The fence around the Jokerville gravesite was done. The group decided not to invite dignitaries to the ceremony. There would be a bagpipe player there. They found another marker outside of the site, which would also be fenced.
- Attended Housing Committee meeting.
- He would attend CDOT meeting.

### **OTHER BUSINESS TO COME BEFORE THE COUNCIL**

None

### **DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE**

- *Tuesday, September 5, 2017 - 6:00PM Work Session - 7:00PM Regular Council*
- *Monday, September 18, 2017 - 6:00PM Work Session - 7:00PM Regular Council*
- *Monday, October 2, 2017 - 6:00PM Work Session - 7:00PM Regular Council*

Michel re-affirmed there would be a special meeting next Monday at 9AM.

### **EXECUTIVE SESSION**

Michel read the reason for Executive Session:

For a conference with the Town Attorney for the purpose of receiving legal advice on specific legal questions under C.R.S. Section 24-6-402(4)(b) on the water and sewer agreement with Cypress Foothills, LP.

Merck moved and Schmidt seconded a motion to go into Executive Session. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

The Council went into Executive Session at 9:11PM. The Council returned to open meeting at 9:44PM. Mayor Michel made the required announcement before returning to open meeting.

**ADJOURNMENT**

Mayor Michel adjourned the meeting at 9:45PM.



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Glenn Michel, Mayor



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Lynelle Stanford, Town Clerk

(SEAL)

